

AVIATION

The Aviation Department operates two municipal airports: Albuquerque International Sunport and Double Eagle II Reliever Airport. The Albuquerque International Sunport is home to eight major commercial carriers, six commuter airlines, and six freight service providers. The amount of passengers seen at the Sunport has more than doubled over the past 10 years. Double Eagle II is located on Albuquerque's west side. This facility has approximately 240 based aircraft and approximately 120,000 annual operations comprised of training, military, air ambulance, charter, private, and corporate flights.

MISSION

Provide safe, reliable, and functional facilities for the traveling public, the airlines, airport businesses, and other users of the Sunport and Double Eagle II.

Operating Fund Expenditures by Category (\$000's)	ACTUAL FY/03	ORIGINAL BUDGET FY/04	REVISED BUDGET FY/04	ESTIMATED ACTUAL FY/04	APPROVED BUDGET FY/05	APP 05/ EST ACT 04 CHG
Personnel	11,422	12,645	12,952	12,067	13,191	1,124
Operating	40,144	29,738	30,727	52,468	31,533	(20,935)
Capital	22	0	0	474	0	(474)
Transfers	18,033	17,289	17,289	17,249	24,303	7,054
TOTAL	69,621	59,672	60,968	82,258	69,027	(13,231)
TOTAL FULL TIME POSITIONS	254	261	261	261	260	(1)

BUDGET HIGHLIGHTS

The budget for the operation of the two City airports, including transfers for capital and debt service needs, is set at \$69.0 million, an increase of \$9.4 million, or 15.7% from the approved FY/04 budget. The cause of the increase is attributed to an increase in the transfer to the Capital Fund for \$6.9 million and an increase in the Debt Service Fund of \$1.8 million for the 2004B revenue bonds. Workers Compensation premiums, employee benefits, and contracts are also recognized as contributing to the increase.

With overwhelming agreement Council approved a 3.9% increase for aviation police and a 3.2% increase for all other aviation personnel. Aviation's personnel complement is decreased by one. A full time parking attendant position was converted to two part time attendants to allow for better scheduling in the Parking Division.

(\$000's)	ACTUAL FY/03	ORIGINAL BUDGET FY/04	REVISED BUDGET FY/04	ESTIMATED ACTUAL FY/04	APPROVED BUDGET FY/05	APP 05/ EST ACT 04 CHG
PROGRAM STRATEGY SUMMARY BY GOAL:						
GOAL 3: PUBLIC INFRASTRUCTURE:						
<u>AIRPORT OPERATING FUND - 611</u>						
Airport Operations	20,962	23,474	23,474	23,023	24,065	1,042
Bonus Program	0	0	307	302	0	(302)
Transfer from Fund 611 to Fund 613	16,200	15,200	15,200	15,200	22,150	6,950
Transfer from Fund 611 to Fund 615	18,800	19,800	19,800	19,800	17,850	(1,950)
Transfer from Fund 611 to Fund 110	1,099	1,188	1,188	1,188	1,196	8
Total Airport Operating Fund – 611	57,061	59,662	59,969	59,513	65,261	5,748
<u>AIRPORT REVENUE BOND D/S FUND - 615</u>						
Debt Service	31,360	19,780	20,769	42,515	21,586	(20,929)
TOTAL GOAL – 3	88,421	79,442	80,738	102,028	86,847	(15,181)

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(\$000's)	ACTUAL FY/03	ORIGINAL BUDGET FY/04	REVISED BUDGET FY/04	ESTIMATED ACTUAL FY/04	APPROVED BUDGET FY/05	APP 05/ EST ACT 04 CHG
GOAL 6: ECONOMIC VITALITY:						
AIRPORT OPERATING FUND - 611						
Economic Development Asset	0	30	30	30	30	0
TOTAL GOAL - 6	0	30	30	30	30	0
TOTAL APPROPRIATIONS	88,421	79,472	80,768	102,058	86,877	(15,181)
Intradepartmental Adjustments	18,800	19,800	19,800	19,800	17,850	1,950
NET APPROPRIATIONS	69,621	59,672	60,968	82,258	69,027	(13,231)

REVENUE

Revenues in Fiscal Year 2005 are expected to increase slightly over FY/04. Revenues are expected to increase in air field operations by \$778 thousand, concessions by \$406 thousand and government grants by \$44 thousand. These enhanced revenues will more than offset expected reductions in revenues from airline rents of \$666 thousand, car rental facilities of \$170 thousand, and airport parking of \$117 thousand. Overall, FY/05 revenues are expected to be \$492 thousand larger than FY/04 budgeted amounts.

Department Generated Fees for Service (\$000's)	ACTUAL FY/03	ORIGINAL BUDGET FY/04	ESTIMATED ACTUAL FY/04	APPROVED BUDGET FY/05	APP 05/ EST ACT 04 CHG
Airfield	9,057	10,065	8,892	9,670	778
Passenger Facility Charge	8,155	7,500	7,500	7,500	0
Air Cargo Operations	1,991	2,021	1,961	2,002	41
General Aviation - AIA	622	555	657	630	(27)
General Aviation - DE II	61	53	61	60	(1)
Leased Sites	1,256	1,300	1,161	1,300	139
Concessions	10,414	11,466	10,860	11,266	406
Rent - Airlines	14,792	13,963	15,154	14,488	(666)
Airport Parking	6,584	6,644	6,781	6,664	(117)
Car Rental Facilities	5,233	4,950	5,270	5,100	(170)
U.S. Gov't Agencies	430	476	477	476	(1)
Special Security Service	554	650	557	600	43
Miscellaneous Revenue	141	50	58	50	(8)
Government Grants	121	0	121	165	44
Interest Earned	341	200	245	276	31

PRIOR YEAR ACCOMPLISHMENTS

- Site development plan for the Aerospace Technology Park at Double Eagle II was approved.
- Successful in bringing the Aerospace Technology Group (manufacturer of the Javelin aircraft) to Double Eagle II.
- Completed the business development and property management plan for Double Eagle II.
- Completed the air cargo industry assessment at the Sunport and developed strategies for the development and marketing of air cargo niche markets and the Foreign Trade Zone.
- Completed the majority of the water, sewer, power and telephone conduit installation.
- Acquired an additional \$5 Million+ in funding from various Federal agencies for infrastructure development at Double Eagle II Airport.

AVIATION

NOISE

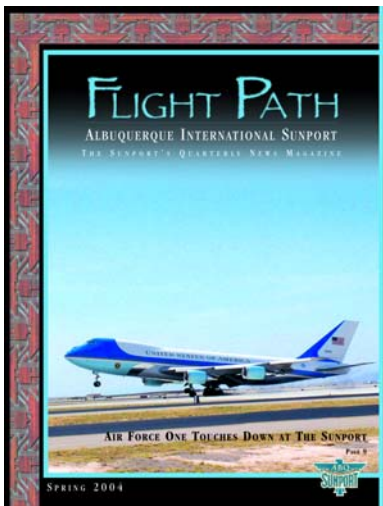
- Conducted and participated in neighborhood meetings to discuss aircraft noise and the Part 150 Noise Study.
- Provided City Councilors with detailed information regarding noise and Part 150 Noise Study.
- Maintain healthy and responsive relationship with Kirkland Air Force Base (KAFB) and the respective flying wings based at KAFB.
- Composed airport zoning/proximity ordinance for Double Eagle II and Sunport.
- Composed an Aviation Easement for developers desiring to develop land around the Sunport and Double Eagle II airports.

OPERATIONS

- Passed the FAA's annual certification inspection of the Sunport conducted in March of 2004...inspection includes 20 subsections and 75 specific items required under Federal Aviation Regulation Part 139.
- In September of 2003 completed a slurry-sealing project on taxiways Alpha, Bravo and Echo. The purpose of the project was to extend the service life of the taxiways.
- In January of 2004 completed a repair project on runway 08-26 that involved replacing 29 concrete slabs that had failed and replacing the joint seals on the entire runway.
- In February of 2004 began reconstruction of the intersection of runway 17-35 and taxiways Alpha and Bravo. The intersections were failing and were reconstructed in concrete. The project will be completed in mid-July.
- Aviation Police Officers are certified to use defibrillators, which are located in the Airport as well as their officer vehicles.
- We now have a complete Field Investigator Unit. This unit gathers evidence that includes everything including but not limited to fingerprints and DNA.

PARKING

- Restructured parking rates to accommodate Senate Bill 23, the Governmental Gross Receipts Tax (GGRT) Bill, effective May 19, 2003, expands the definition of GGRT to include receipts from the rental of parking within municipalities.



MEDIA RELATIONS

- Sunport Publication, "FLIGHT PATH" - a quarterly news magazine, is soon to publish its fourth edition. The newly formatted magazine reflects pertinent business issues for both the Albuquerque International Sunport and Double Eagle II Airport. It often contains coverage of the Aviation Department, the airlines serving the Sunport, the mayor's office, the Transportation Security Administration and other related Sunport business and events. The mailing list for the said publication has been revised and tailored to focus on New Mexico business leaders and all government entities.
- Sunport Website update/compliance - the on-going process of bringing the Sunport website up to speed with current, informative information and a complimentary design, as well as, meeting city website standards, is underway.

AVIATION

PRIORITY OBJECTIVES

PUBLIC INFRASTRUCTURE GOAL: ENSURE THAT ALL EXISTING COMMUNITIES ARE ADEQUATELY AND EFFICIENTLY SERVED WITH WELL-PLANNED, COORDINATED, AND MAINTAINED SEWER, STORM, WATER AND ROAD SYSTEMS AND AN INTEGRATED MULTI-MODAL REGIONAL TRANSPORTATION SYSTEM. ENSURE THAT NEW DEVELOPMENT IS EFFICIENTLY INTEGRATED INTO EXISTING INFRASTRUCTURES AND THAT THE COSTS ARE BALANCED WITH THE REVENUES GENERATED.

- Complete the project to expand security checkpoints at the Sunport by September, 2005.

ECONOMIC VITALITY GOAL: ACHIEVE A VITAL, DIVERSE, AND SUSTAINABLE ECONOMY IN WHICH BUSINESSES AND RESIDENTS HAVE OPPORTUNITIES FOR SUCCESS.

- Complete the Double Eagle II Business Development and Property Management Plan in order to provide land use recommendations and standardize leasing and development plans, including non-aviation development. Submit the plan to the Mayor and City Council by the end of the second quarter, FY/05.
- Complete and implement the marketing strategy to promote international commerce and activity in the Foreign Trade Zone at the Sunport by May, 2005. Develop appropriate performance measures regarding the success of the strategy and include in the FY/06 Performance Plan.
- Complete Air Cargo Niche Development and Marketing Plan by November, 2004. Provide a report on the development to the Mayor and the City Council by the end of the third quarter, FY/05. Develop appropriate performance measures regarding the development and include in the FY/05 Performance Plan.
- Complete DEII infrastructure projects (waterline, sewer line, telephone ducts, power, gas, control tower, and midfield development) by September, 2005. Provide a status report to the Mayor and City Council by the end of the second quarter, FY/05.
- Complete the Double Eagle II Aerospace Technology Park Development Plan to create certified sites for use as a marketing tool. Submit the plan to the Mayor and City Council by the end of the second quarter, FY/05.
- Develop a market analysis and plan in conjunction with the State that establishes demand for direct flights between Albuquerque and Mexico by March 2005.

